

2 0 0 9

Provisional financial statements
Six months ended 30 September 2009



CARGILLS (CEYLON) PLC

A Member of the Ceylon Theatres Group

Income statements

	Group						Company					
	Quarter ended 30 September			Period ended 30 September			Quarter ended 30 September			Period ended 30 September		
	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000	2009 Rs.' 000	2008 Rs.' 000	Variance Rs.' 000
Revenue	7,168,596	6,847,218	321,378	14,586,924	14,181,471	405,453	3,980,006	3,678,200	301,806	8,135,856	7,747,462	388,394
Cost of sales	(6,557,691)	(6,380,503)	(177,188)	(13,354,848)	(13,094,566)	(260,282)	(3,852,120)	(3,553,030)	(299,090)	(7,866,589)	(7,430,599)	(435,990)
Gross profit	610,905	466,715	144,190	1,232,076	1,086,905	145,171	127,886	125,170	2,716	269,267	316,863	(47,596)
Other income	108,627	202,576	(93,949)	231,506	329,629	(98,123)	217,514	203,304	14,210	303,503	280,873	22,630
Distribution costs	(110,680)	(175,158)	64,478	(246,903)	(304,453)	57,550	(19,073)	(21,214)	2,141	(39,523)	(45,658)	6,135
Administrative expenses	(268,391)	(139,697)	(128,694)	(497,917)	(433,111)	(64,806)	(107,386)	(139,114)	31,728	(205,434)	(279,886)	74,452
Other Expenses	(37,520)	(21,686)	(15,834)	(70,176)	(65,090)	(5,086)	(9,342)	(7,401)	(1,941)	(19,955)	(14,620)	(5,335)
Operating profit	302,941	332,750	(29,809)	648,586	613,880	34,706	209,599	160,745	48,854	307,858	257,572	50,286
Net finance costs	(104,726)	(125,810)	21,084	(234,822)	(227,622)	(7,200)	(92,023)	(57,368)	(34,655)	(158,193)	(101,066)	(57,127)
Profit before taxation	198,215	206,940	(8,725)	413,764	386,258	27,506	117,576	103,377	14,199	149,665	156,506	(6,841)
Income tax expense	(58,570)	(79,329)	20,759	(111,834)	(123,689)	11,855	(1,222)	(24,447)	23,225	(10,709)	(27,553)	16,844
Net profit for the period	139,645	127,611	12,034	301,930	262,569	39,361	116,354	78,930	37,424	138,956	128,953	10,003
Attributable to :												
Equity shareholders of the parent	139,645	103,354	36,291	301,930	222,123	79,807	116,354	78,930	37,424	138,956	128,953	10,003
Minority interest	-	24,257	(24,257)	-	40,446	(40,446)	-	-	-	-	-	-
	139,645	127,611	12,034	301,930	262,569	39,361	116,354	78,930	37,424	138,956	128,953	10,003
Earnings per share (Rs.)	0.62	0.46	0.16	1.35	0.99	0.36	0.52	0.35	0.17	0.62	0.58	0.04
Dividend paid per share (Rs.)	0.30	0.20	0.10	0.50	0.39	0.11	0.30	0.20	0.10	0.50	0.39	0.11

Explanatory notes are given on page 6.



Balance sheets

As at	Group			Company		
	30 September	30 September	31 March	30 September	30 September	31 March
	2009	2008	2009	2009	2008	2009
	Rs.' 000					
ASSETS						
Non-current assets						
Property, plant and equipment	4,979,668	4,885,598	5,091,495	3,351,322	3,070,343	3,361,476
Intangible assets	295,663	301,979	299,401	-	-	-
Investment in subsidiaries	-	-	-	1,668,453	997,553	1,668,453
Deferred tax assets	21,480	24,082	21,573	-	-	-
	5,296,811	5,211,659	5,412,469	5,019,775	4,067,896	5,029,929
Current assets						
Inventories	2,461,028	2,180,348	2,649,786	1,298,931	1,130,009	1,586,401
Trade and other receivables	1,057,224	868,669	1,123,641	466,020	340,844	463,700
Amount due from related companies	464,018	242,689	273,917	462,973	918,806	272,599
Short term investments	3,254	5,550	3,254	3,211	5,430	3,211
Cash and cash equivalents	270,965	193,411	197,668	179,535	113,878	124,918
	4,256,489	3,490,667	4,248,266	2,410,670	2,508,967	2,450,829
Total assets	9,553,300	8,702,326	9,660,735	7,430,445	6,576,863	7,480,758
EQUITY						
Capital and reserves						
Stated capital	130,723	130,723	130,723	130,723	130,723	130,723
Reserves	1,012,428	662,428	1,012,428	1,004,500	654,500	1,004,500
Retained earnings	1,179,483	1,062,222	989,553	297,865	480,611	270,909
Shareholders' fund	2,322,634	1,855,373	2,132,704	1,433,088	1,265,834	1,406,132
Minority interest	-	-	-	-	-	-
Total equity	2,322,634	1,855,373	2,132,704	1,433,088	1,265,834	1,406,132
LIABILITIES						
Non-current liabilities						
Borrowings	268,699	714,017	754,815	75,000	74,995	449,980
Deferred tax liability	286,204	234,703	310,358	242,926	183,781	266,256
Retirement benefit obligations	116,579	122,270	91,555	105,499	112,374	81,763
	671,482	1,070,990	1,156,728	423,425	371,150	797,999
Current liabilities						
Trade and other payables	3,564,843	3,514,390	3,917,522	3,031,355	3,047,072	3,376,678
Current tax liability	139,900	116,539	96,841	38,542	35,070	-
Amount due to related companies	4,865	267,841	8,676	301,342	504,025	217,004
Dividend payable	13,673	7,256	7,556	13,673	7,256	7,556
Borrowings	2,835,903	1,869,937	2,340,708	2,189,020	1,346,456	1,675,389
	6,559,184	5,775,963	6,371,303	5,573,932	4,939,879	5,276,627
Total liabilities	7,230,666	6,846,953	7,528,031	5,997,357	5,311,029	6,074,626
Total equity and liabilities	9,553,300	8,702,326	9,660,735	7,430,445	6,576,863	7,480,758
Net Assets value per share (Rs.)	10.37	8.28	9.52	6.40	5.65	6.28

I certify that these provisional financial statements have been prepared in accordance with the requirements of the Companies Act No. 7 of 2007

Sgd. S L W Dissanayake (Group Financial Controller)

The Board of Directors is responsible for the preparation and presentation of these financial statements.
These financial statements have been approved by the Board on 04 November 2009

Signed on behalf of the Board

Sgd. V R Page (Deputy Chairman / CEO)
Sgd. P S Mathavan (Executive Director / CFO)

Explanatory notes are given on page 6.

Cash flow statements

	Group				Company			
	Quarter ended 30 September		Period ended 30 September		Quarter ended 30 September		Period ended 30 September	
	2009	2008	2009	2008	2009	2008	2009	2008
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Cash flows from operating activities								
Profit before tax	198,215	206,940	413,764	386,258	117,576	103,377	149,665	156,506
Adjustments for:								
Depreciation	173,926	166,927	354,643	325,619	96,069	62,253	192,176	131,733
Retirement benefit obligations	21,526	3	27,716	25,535	20,333	(4,692)	26,314	19,642
Amortisation of intangible assets	1,840	683	3,738	2,530	-	-	-	-
Profit on sales of property, plant and equipment	-	(1,412)	(2,484)	(1,897)	-	-	-	-
Profit from disposal of investments	-	(73,587)	-	(73,587)	-	(73,587)	-	(73,587)
Provision for inventories	1,279	-	443	-	-	-	-	-
Provision for doubtful debtors	2,761	3,143	6,271	4,723	-	(1,559)	-	21
Net finance costs	104,726	125,810	234,822	227,622	92,023	57,368	158,193	101,066
Dividend income (Note 4)	-	(2,359)	-	(2,359)	(131,228)	(47,359)	(131,228)	(47,359)
Operating profit before working capital changes	504,273	426,148	1,038,913	894,444	194,773	95,801	395,120	288,022
Changes in working capital								
- (Increase) / decrease in inventories	(168,864)	(172,668)	188,316	368,934	(75,178)	(73,483)	287,470	250,052
- Decrease / (increase) in trade and other receivables	22,529	252,322	44,250	(100,195)	39,798	25,250	34,613	(130,065)
- (Increase) / decrease in related company receivables	(162,908)	(11,596)	(190,101)	(118,759)	(159,159)	(157,135)	(190,374)	(2,465)
- Increase / (decrease) in trade and other payables	115,911	494,964	(352,671)	(105,274)	182,972	567,881	(345,322)	(118,900)
- Increase / (decrease) in related company payables	1,567	167,789	(3,811)	166,802	(164,219)	372,373	84,338	348,514
Cash generated from operations	312,508	1,156,959	724,896	1,105,952	18,987	830,687	265,845	635,158
Taxes paid	(43,627)	(34,002)	(76,946)	(60,578)	(17,801)	(14,610)	(32,431)	(29,610)
Interest paid	(104,726)	(151,604)	(234,822)	(253,769)	(92,023)	(67,489)	(158,193)	(127,213)
Gratuity paid	(1,815)	(12,535)	(2,695)	(21,742)	(1,698)	(819)	(2,578)	(10,026)
Net cash generated from operating activities	162,340	958,818	410,433	769,863	(92,535)	747,769	72,643	468,309
Cash flows from investing activities								
Addition of property, plant and equipment	(166,136)	(484,612)	(243,449)	(636,065)	(146,877)	(435,167)	(182,022)	(560,735)
Acquisition of minority holding of subsidiary	-	(462,107)	-	(462,107)	-	(462,107)	-	(462,107)
Proceeds from disposal of investments	-	119,128	-	119,128	-	119,128	-	119,128
Proceeds from disposal of property, plant and equipment	125	6,232	3,117	9,990	-	-	-	-
Interest income	-	25,795	-	26,147	-	10,121	-	26,147
Dividend received	-	2,359	-	2,359	131,228	47,359	131,228	47,359
Net cash used in investing activities	(166,011)	(793,205)	(240,332)	(940,548)	(15,649)	(720,666)	(50,794)	(830,208)
Cash flows from financing activities								
Proceeds from borrowings	-	218,137	-	218,137	-	-	-	-
Net proceeds from short term borrowings	1,059,238	734	1,252,306	229,750	992,490	734	1,217,490	379,749
Repayments of long term borrowings	(559,781)	(50,995)	(636,136)	(104,895)	(487,495)	(12,505)	(525,000)	(25,005)
Dividend paid	(66,167)	(49,196)	(105,883)	(86,278)	(66,167)	(49,196)	(105,883)	(86,278)
Net cash generated from financing activities	433,290	118,680	510,287	256,714	438,828	(60,967)	586,607	268,466
Increase / (decrease) in cash and cash equivalents	429,619	284,293	680,388	86,029	330,644	(33,864)	608,456	(93,433)
Movement in cash and cash equivalents								
At the beginning of the period	(732,933)	(1,283,750)	(983,702)	(1,085,486)	(507,639)	(598,965)	(785,451)	(539,396)
Movement during the period	429,619	284,293	680,388	86,029	330,644	(33,864)	608,456	(93,433)
At end of the period	(303,314)	(999,457)	(303,314)	(999,457)	(176,995)	(632,829)	(176,995)	(632,829)

Explanatory notes are given on page 6.

Statements of changes in equity

Group	Stated capital	Capital reserve	Revaluation reserve	General reserve	Accumulated earnings	Minority interest	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 1 April 2008	130,723	7,928	619,000	35,500	748,539	353,818	1,895,508
Net profit for the Period	-	-	-	-	222,123	40,446	262,569
Reversal of adjustment for debit balance in minority	-	-	-	-	178,360	(178,360)	-
Dividends	-	-	-	-	(86,800)	-	(86,800)
Minority acquisition	-	-	-	-	-	(215,904)	(215,904)
Balance as at 30 September 2008	130,723	7,928	619,000	35,500	1,062,222	-	1,855,373
Balance as at 1 April 2009	130,723	7,928	619,000	385,500	989,553	-	2,132,704
Net profit for the period	-	-	-	-	301,930	-	301,930
Dividends	-	-	-	-	(112,000)	-	(112,000)
Balance as at 30 September 2009	130,723	7,928	619,000	385,500	1,179,483	-	2,322,634

Company	Stated capital	Revaluation reserve	General reserve	Accumulated earnings	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 1 April 2008	130,723	619,000	35,500	438,458	1,223,681
Net profit for the Period	-	-	-	128,953	128,953
Dividends	-	-	-	(86,800)	(86,800)
Balance as at 30 September 2008	130,723	619,000	35,500	480,611	1,265,834
Balance as at 1 April 2009	130,723	619,000	385,500	270,909	1,406,132
Net profit for the Period	-	-	-	138,956	138,956
Dividends	-	-	-	(112,000)	(112,000)
Balance as at 30 September 2009	130,723	619,000	385,500	297,865	1,433,088

Explanatory notes are given on page 6.

Segment Information

	Group				Company			
	Quarter ended 30 September		Period ended 30 September		Quarter ended 30 September		Period ended 30 September	
	2009	2008	2009	2008	2009	2008	2009	2008
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Revenue								
Gross revenue								
Gross revenue	7,378,583	7,112,608	15,008,053	14,566,235	4,047,493	3,743,340	8,276,740	7,880,954
Turnover tax	(209,987)	(265,391)	(421,130)	(384,764)	(67,487)	(65,139)	(140,884)	(133,492)
Net turnover	7,168,596	6,847,217	14,586,923	14,181,471	3,980,006	3,678,201	8,135,856	7,747,462
Business segment analysis								
Food and beverages	7,129,574	6,712,512	14,462,978	13,950,664	3,976,021	3,673,117	8,127,924	7,736,365
Wholesale distribution	651,196	645,765	1,256,508	1,254,764	3,985	5,084	7,932	11,097
Leisure	10,339	10,086	21,499	16,981	-	-	-	-
Photo processing	18,517	19,088	36,396	36,999	-	-	-	-
	7,809,626	7,387,451	15,777,381	15,259,408	3,980,006	3,678,201	8,135,856	7,747,462
Inter segment sales	(641,030)	(540,234)	(1,190,458)	(1,077,937)	-	-	-	-
	7,168,596	6,847,217	14,586,923	14,181,471	3,980,006	3,678,201	8,135,856	7,747,462
Segmental profit								
Segmental profit before unallocated overheads								
Food & beverages	364,171	263,088	724,704	594,314	127,089	124,153	267,681	314,644
Wholesale distribution operation	15,379	63,648	62,680	101,475	797	1,017	1,586	2,219
Photo processing	58	922	1,313	2,177	-	-	-	-
Leisure	3,093	979	4,243	1,299	-	-	-	-
	382,701	328,637	792,940	699,265	127,886	125,170	269,267	316,863
Unallocated overheads	(81,344)	(75,846)	(147,781)	(168,314)	(54,810)	(91,261)	(103,557)	(190,367)
Dividend income	-	2,359	-	2,359	131,228	47,359	131,228	47,359
Rental income	3,425	4,696	7,165	9,513	5,295	5,890	10,920	10,130
Profit from sale of investment	-	73,587	-	73,587	-	73,587	-	73,587
Amortisation of intangible assets	(1,841)	(683)	(3,738)	(2,530)	-	-	-	-
Net finance costs	(104,726)	(125,810)	(234,822)	(227,622)	(92,023)	(57,368)	(158,193)	(101,066)
Income tax expense	(58,570)	(79,329)	(111,834)	(123,689)	(1,222)	(24,447)	(10,709)	(27,553)
Profit after taxation	139,645	127,611	301,930	262,569	116,354	78,930	138,956	128,953

Explanatory Notes

- 1 The result for the six months ended 30 September 2009 and the balance sheet as at 30 September 2009 are provisional and subject to change.
- 2 The same accounting policies are followed as in the annual report for the year ended 31 March 2009.
- 3 The result for the six month ended 30 September 2008 included a Rs. 73.5 Mn one off profit from disposal of quoted investments.
- 4 Where appropriate, the previous year's presentation has been amended to conform to the current classification.
- 5 An interim dividend of 30 Cents per share (Rs. 67,200,000) has been declared on 4 November 2009 for the year ended 31 March 2010.
- 6 There are no material events subsequent to the balance sheet date that require disclosure or adjustments in the financial statements.
- 7 There are no contingent liabilities as at the balance sheet date.

Investor relations supplement

General

Stated capital	Rs. 130,723,000
Issued shares	224,000,000
Class of shares	Ordinary shares
Voting rights	One vote per ordinary share

Stock exchange listing

The issued ordinary shares of Cargills (Ceylon) PLC are listed in the Colombo Stock Exchange.

Share valuation

A sub-division of each existing issued and fully paid ordinary share of Cargills (Ceylon) PLC into 40 shares was given effect on 25 April 2008. Accordingly, the number of issued and fully paid ordinary shares was increased from 5,600,000 to 224,000,000 consequent to the sub-division .

The market price per share recorded during the quarter ended	30 September 2009	30 September 2008
	Rs	Rs
Highest	59.75	44.75
Lowest	43.25	31.00
Last traded price	57.00	31.00

Top 20 shareholders

The holdings of the top 20 shareholders as at

	30 September 2009		30 June 2009	
	Number of Shares	%	Number of Shares	%
Ceylon Theatres Limited	156,749,240	69.98	156,749,240	69.98
Mr. V R Page	14,220,000	6.35	14,220,000	6.35
SLIC Ltd - Life Fund	9,018,600	4.03	9,018,600	4.03
Ceylon Guardian Investment Trust - A/C No.1	7,154,700	3.19	7,154,700	3.19
Mr. Anthony A Page	4,725,000	2.11	4,725,000	2.11
Odeon Holdings (Ceylon) Limited	4,687,920	2.09	4,687,920	2.09
Deutsche Bank AG - National Equity Fund	2,000,000	0.89	2,223,700	0.99
Ms. M M Page	1,952,200	0.87	1,860,000	0.83
Mr. J C Page	1,705,500	0.76	1,705,500	0.76
Mrs. M M Udeshi	1,536,640	0.69	1,536,640	0.69
The Associated Newspapers of Ceylon Limited	799,840	0.36	799,840	0.36
The Gilpin Fund Limited	632,000	0.28	-	-
Mr. C Gardiner, The Bishop of Jaffna, The Archbishop of Colombo	563,040	0.25	563,040	0.25
PICTET & CIE - C/O Citi Bank	500,000	0.22	500,000	0.22
Mr. M M Udeshi	496,500	0.22	515,000	0.23
Mr. B N Shiner	492,000	0.22	492,000	0.22
Mrs. D Grimshaw	484,280	0.22	484,280	0.22
Nikan (Private) Limited	466,800	0.21	-	-
Mr. K B de Vos	402,180	0.18	442,180	0.20
Mr. Joseph Anthony Aloysius	354,000	0.16	354,000	0.16
Estate of the late Mr N E Weerasooria	-	-	466,800	0.21
Ceylon Chamber of Commerce - A/C No. 2	-	-	450,000	0.20
Total	208,940,440	93.28	208,948,440	93.29

Public holding

The percentage of shares held by the public as at 30 September 2009 is 18.54% (30 June 2009 - 18.54%)

Directors' shareholdings

The Directors' shareholdings in the Company were as follows as at:

	30 September 2009	30 June 2009
Mr. L R Page	36,760	36,760
Mr. V R Page	14,220,000	14,220,000
Mr. S V Kodikara	124,000	124,000
Mr. P S Mathavan	20,000	20,000
Mr. Jayantha Dhanapala	-	-
Mr. A T P Edirisinghe	50,000	50,000
Mr. S E C Gardiner	20,000	20,000
Mr. Sunil Mendis	20,000	20,000
Mr. Anthony A Page	4,725,000	4,725,000
Mr. J C Page	1,705,500	1,705,500
Mr. E A D Perera	20,000	20,000
Mrs. S R Thambiayah	40,000	40,000



Corporate Information

Name of company

Cargills (Ceylon) PLC

Company Registration No.

PQ 130

Legal form

Quoted public company with limited liability,
incorporated in Sri Lanka on 1 March 1946.

Board of Directors

L R Page (Chairman)
V R Page (Deputy Chairman / CEO)
S V Kodikara (COO)
P S Mathavan (CFO)
Jayantha Dhanapla
A T P Edirisinghe
S E C Gardiner
Sunil Mendis
Anthony A Page
J C Page
E A D Perera
Mrs. S R Thambiayah

Company Secretary

S L W Dissanayake

Corporate Management Committee

V R Page	Dr. J S Punjath
S V Kodikara	Dr. S J Nawaratne
P S Mathavan	D G O Dias
J C M Victoria	Mrs. M G Perera
S L W Dissanayake	
Mrs. D Chandrasekara	
N Sri Kandaraj	

Remuneration Committee

Sunil Mendis (Chairman)
A T P Edirisinghe
Jayantha Dhanapla

Audit Committee

A T P Edirisinghe (Chairman)
Sunil Mendis
E A D Perera
Mrs. S R Thambiayah

Stock exchange listing

Colombo Stock Exchange

Registered office

40, York Street, Colombo 1, Sri Lanka
Telephone : 2427777, 2427500
Telefax : 2338704
E-mail : ccl@cargillsceylon.com

Postal address

P.O. Box 23, Colombo

Auditors

KPMG Ford, Rhodes, Thornton & Co.
Chartered Accountants

Legal consultants

John Wilson Partners, Attorneys-at-law

Bankers

Bank of Ceylon
Commercial Bank of Ceylon
Deutsche Bank
HSBC
Nations Trust Bank
Standard Chartered Bank
Seylan Bank
Sampath Bank

Subsidiary companies

Cargills Quality Foods (Private) Limited
Cargills Distributors (Private) Limited
Cargills Quality Dairies (Private) Limited
Cargills Food Processors (Private) Limited
Cargills Food Services (Private) Limited
CPC Agrifoods Limited
CPC Lanka Limited
Cargills Retail (Private) Limited
Millers Distributors Limited

If undelivered, please return to :
CARGILLS (CEYLON) PLC
40, York Street, Colombo 1, Sri Lanka



PRINTED MATTER



SINCE 1844

CARGILLS (CEYLON) PLC
40, York Street, Colombo 1
Tel: 2427777 Fax: 2338704
www.cargillsceylon.com